Officer Delegated Decision

Decision Due: 22 August 2016

Report title: Brixton Townscape Heritage Initiative - Grant for 6 Electric Avenue

Wards: Coldharbour

Report Authorised by: Sue Foster, Strategic Director, Neighbourhoods and Growth

Portfolio: Councillor Jack Hopkins, Cabinet Member for Regeneration, Business and Culture

Contact for enquiries:
Ellie Cook, Project Manager Brixton Townscape Heritage Initiative, Investment and Growth, 020 7926 9588, ecook@lambeth.gov.uk

Report summary
This report seeks authorisation to offer a grant from the Brixton Townscape Heritage Initiative (THI) to SLC Property Ltd, the freeholder of 6 Electric Avenue, to carry out repairs and restoration of this historic locally listed building in accordance with aims and objectives of the THI grant scheme.

Finance summary
The capital grant of £114,070.26 is offered from the approved Brixton THI Common Fund. The fund has a total £2,030,000 available for building grants, comprised of £1,522,500 from the Heritage Lottery Fund (75%) and £507,500 of Council capital (25%). There is sufficient Common Fund remaining to offer a grant. The grant will be paid to the applicant in arrears and in stages over a period of approximately six months (from offer acceptance to work completion on site).

Recommendation
To approve the issuing of a formal grant offer to SLC Property Ltd for £114,070.26 (capital) for heritage focused refurbishment and improvements works in respect of 6 Electric Avenue.
1. **Context**

1.1 The Council was awarded a Heritage Lottery Fund (HLF) grant of £1.95 million in October 2014 to deliver the Brixton Townscape Heritage Initiative by December 2019.

1.2 As part of the two stage bid process, the council appointed independent experts to assess heritage need within the Brixton conservation area. This led to the identification of 29 “Priority Properties” and the drawing of a THI boundary focused on Electric Avenue and part of Atlantic Road. This work was also corroborated locally working with the Brixton Heritage Regeneration Partnership, established to steer the THI project, including stakeholders such as the Brixton BID and the Brixton Society.

1.3 As part of the initial agreement with HLF we have committed to offering £507,500 in grants to identified Priority Properties by September 2016.

1.4 Since the award from HLF, council officers have engaged with all the freeholders of THI Priority Properties to seek to bring forward grant applications.

1.5 The grant programme will contribute towards the Lambeth Community Plan 2013-16 outcomes of jobs and growth, a cleaner, greener borough and a safer community. The building renovations will complement the council and Greater London Authority’s (GLA) High Street Fund investment in the Electric Avenue public realm by enhancing the above-ground streetscape and creating a more attractive retail destination. The grant will support a local business to attract customers in a challenging environment and the ground floor improvements will include features to enhance community safety (i.e. better illumination and surveillance).

1.6 Whilst there has been significant interest from a number of the freeholders of the Priority Properties, SLC Property Ltd are only the second owner to have committed and proceeded to submit detailed information in support of its application.

2. **Proposal and Reasons**

2.1 It is proposed to offer a grant to the freeholder of 6 Electric Avenue, SLC Property Ltd towards eligible building repair and restoration works including: reinstating traditional timber sash windows, repairing architectural stonework, roof and balustrade repairs, restoring the historic shopfront fascia and installing appropriate timber shopfront, awning.

2.2 The grant application meets the THI criteria: being for an identified THI Priority Property; proposing grant eligible works that fulfil the aims of the THI; being managed by a conservation-accredited architect; including detailed costs and drawings; the grantee being the registered owner of the property; and there being sufficient Common Fund remaining to offer a grant.

2.3 As per the Funding Agreement with HLF, each grant is for a single building. This is the second of a number of grants the council expect to offer within the THI area, with the aim of going a considerable way to reinstating a unified streetscape of heritage value. This being the second grant, based on other similar heritage regeneration schemes, it is hoped it will be a catalyst for other owners to progress their own grant applications.
2.4 Expressions of Interest have been received from the owners of 45 Electric Avenue, 25, 31, 33, 41 Electric Avenue and Reliance Arcade and we expect these to progress to formal grant applications within the next 2-4 months to meet our offer targets agreed with HLF. Discussions have also been held with the owners of 23, 29, 35-37, 39, 43 Electric Avenue and we hope to bring forward applications to a significant number of these properties within the next 9-12 months.

3. **Finance**

3.1 The proposed grant is £114,070.26 (79.56% of the total estimated project costs) with the owner contributing the remainder (estimated at £32,972.95).

3.2 The detailed grant calculation (Appendix 1) is based on fixed rate grant percentages agreed by HLF and applied to the costed schedule of works by Murray John Architects Ltd submitted by SLC Property Ltd as part of the grant application.

3.3 The works have been competitively tendered by the grant recipient’s architect to ensure value for money. If the actual cost of the works is lower than the estimates on which the grant offer is based then there will be a proportionate reduction in any grant payments. If the final costs are higher there is no obligation for the council to increase the grant, but a request in writing will be considered in line with the offer terms and conditions.

3.4 The grant will be paid in arrears against completed eligible works on presentation of paid invoices and an architect’s certificate. The THI Project Manager will inspect completed works prior to processing each grant reimbursement. The works must be completed and all grant claimed within 12 months of offer acceptance.

3.5 The grant will be paid from the agreed £2,030,000 THI Common Fund capital budget for building grants (of which 75% is HLF funding and 25% is committed Council capital).

4. **Legal and Democracy**

4.1 Section 1 of the Localism Act 2011 provides the Council with the power to do anything that individuals generally may do. This power extends to doing things that an individual may do which are unlike anything that the Council currently, or public bodies do. This power can be used for commercial purposes or otherwise for a charge, or without a charge. The Council may exercise this power for, or otherwise than for, the benefit of the authority, its area, or persons resident or present in its area. This general power is limited by any restrictions in any existing or future legislation.

4.2 Section 111 of the Local Government Act 1972 provides powers for a local authority to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

4.3 The grant offer will be subject to the recipient entering into a Grant Agreement with the Council, in accordance with HLF requirements. The Agreement will seek to protect the
public investment through imposing suitable terms and conditions, including the requirement to maintain the property and the grant-aided works after completion.

4.4 A Local Land Charge will be registered against the property to ensure the ability to claw back a proportion of the grant paid if any terms and conditions are contravened and/or if the property is sold within 10 years.

4.5 The Heritage Lottery Fund have confirmed that the European Union has deemed Townscape Heritage Initiative grants to comply with State Aid provisions because ‘grants in cases where the retention or appropriate repair of heritage assets entails additional costs part or all of which are to be defrayed by grant promotes culture and preserves heritage without affecting trading conditions and competition’.

4.6 The Council’s Constitution requires that all key decisions, decisions which involve resources between the sums of £100,000 and £500,000, and important or sensitive issues, must be published on the website for five clear days before the decision is approved by the Director or Cabinet Member concerned. Any representations received during this period must be considered by the decision-maker before the decision is taken.

5. Consultation and co-production

5.1 The THI has been developed and is being delivered in conjunction with a local stakeholder group, the Brixton Heritage Regeneration Partnership (HRP). The HRP are informed of all Expressions of Interest and grant applications and asked to agree whether they meet the THI grant criteria for funding.

5.2 The owners of all 29 Priority Properties have been contacted regarding the available grants through three letters sent to registered addresses since December 2014, in addition to on-going face to face meetings, telephone conversations and emails. Out of 29 Priority Properties, contact has been received from the owners of 21 properties.

5.3 In the second year of the THI, we are working with interested owners to identify and resolve barriers to participation and will also be working to engage with individual shop tenants through face to face engagement, including via the Brixton BID facilitated business forum for Electric Avenue.

6. Risk management

6.1 Risk management is undertaken via a risk register reviewed and updated by the THI Board and also the HRP. A summary of the key relevant risks and mitigations for this project are set out below:

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner decides not to proceed if grant offer is delayed past mid-August</td>
<td>the owner is renovating internally and wishes to let the units as soon as possible so the grant-aided work must start by the beginning of September.</td>
</tr>
</tbody>
</table>
Cost overrun | the costs are tendered and include a contingency within the project of £2,500+ VAT
---|---
Owner does not move forward after planning secured | owner’s expenditure reimbursed in stages to minimise risk to council

7. **Equalities impact assessment**
7.1 The proposed decision will not have an adverse effect on any of the Council’s protected equalities groups.

8. **Community safety**
8.1 The grant-aided works will be designed to Secure by Design standards and this will be ensured through the planning process.

9. **Organisational implications**
9.1 Environmental
All grant-aided works will need to comply with relevant environmental standards and Building Regulations (i.e. use of sustainable timber). It will be the responsibility of the grant recipient’s architect to ensure such compliance as is necessary.

9.2 Procurement
There are no direct procurement implications for the council as the contractors and professional advisors for the grant-funded works to 6 Electric Avenue will be employed by SLC Property Ltd directly. However, a condition of the HLF grant funding is that all grant-eligible items exceeding £10,000 are competitively procured to ensure best value. Consequently, this requirement is written into the grant terms and conditions and the THI Project Manager has received and reviewed the architect’s tender report prior to appointment of the main contractor for the works.

10. **Timetable for implementation**
10.1 Expected timetable for grant works to 6 Electric Avenue:

<table>
<thead>
<tr>
<th>Stage</th>
<th>Deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning permission &amp; Advertisement Consent granted</td>
<td>7th July 2016</td>
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<tr>
<td>Tender report submitted by applicant</td>
<td>3rd August 2016</td>
</tr>
<tr>
<td>Grant offer approved</td>
<td>22 August 2016</td>
</tr>
<tr>
<td>Grant offer issued</td>
<td>22 August 2016</td>
</tr>
<tr>
<td>Grant offer accepted</td>
<td>21 August 2016</td>
</tr>
<tr>
<td>Works start on site</td>
<td>7th September 2016</td>
</tr>
<tr>
<td>Works completed</td>
<td>9th December 2016</td>
</tr>
<tr>
<td>Defects liability period</td>
<td>9th June 2017</td>
</tr>
<tr>
<td>Final grant claim</td>
<td>11th June 2017</td>
</tr>
</tbody>
</table>

10.2 The works will be monitored on site periodically by the THI Project Manager to ensure compliance with the grant terms and conditions and inspected regularly prior to release of any grant payments.
# Audit trail

## Consultation

<table>
<thead>
<tr>
<th>Name/Position</th>
<th>Lambeth directorate/department or partner</th>
<th>Date Sent</th>
<th>Date Received</th>
<th>Comments in para:</th>
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<tr>
<td>Neil Wightman On behalf of Sue Foster</td>
<td>Neighbourhoods and Growth</td>
<td>09.08.16</td>
<td>11.8.16</td>
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<tr>
<td>Tom Bridgman</td>
<td>Delivery Lead, Investment and Growth</td>
<td>08.08.16</td>
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<tr>
<td>Solomon Akuffo, Finance</td>
<td>Business Partnering</td>
<td>08.08.16</td>
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<td>Michael O’Hora, Legal Services</td>
<td>Corporate Resources</td>
<td>08.08.16</td>
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<td>Henry Langford Democratic Services</td>
<td>Corporate Resources</td>
<td>08.08.16</td>
<td>09.08.16</td>
<td>4.6</td>
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<td>Cllr Jack Hopkins</td>
<td>Cabinet Member for Regeneration, Business and Culture</td>
<td>09.08.16</td>
<td>12.08.16</td>
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## Report history

- **Original discussion with Cabinet Member**: 09.08.16
- **Part II Exempt from Disclosure/confidential accompanying report?**: No
- **Date first appeared on forward plan**: n/a
- **Key decision reasons**: N/a
- **Background information**: Brixton Townscape Heritage Initiative Round 2 bid, Cabinet Member Delegated Decision
- **Appendices**: Grant calculation
APPROVAL BY CABINET MEMBER OR OFFICER IN ACCORDANCE WITH SCHEME OF DELEGATION

I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board and taken account of their advice and comments in completing the report for approval:

Signature ______________________________________ Date 10/08/16

Post: Ellie Cook, Project Manager Brixton Townscape Heritage Initiative

I approve the above recommendations:

Signature ______________________________________ Date ______________

Post: Sue Foster, Strategic Director Neighbourhoods and Growth

Any declarations of interest (or exemptions granted):

Issue Interest declared